





June 28, 2013

## Via ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

Re: Written Ex Parte Submission

Remote Areas Fund (WC Docket No. 10-90)

Dear Ms. Dortch:

The United States Department of Agriculture ("USDA") recently released the 2013 edition of its "Rural Broadband at a Glance" report.<sup>1</sup> The top-level finding of the report is as follows:

With the growth of the digital economy, more economic activities are taking place on the Internet, potentially reducing geographic constraints, increasing efficiency, and improving growth prospects for rural communities. Rural America, however, may be at a disadvantage in reaping the benefits of this growth because rural households are still less likely to subscribe to the Internet than are urban households.<sup>2</sup>

The USDA Report finds that rural households are less likely to subscribe to Internet access services of any kind than urban households, and also proportionally less likely to subscribe to broadband access.<sup>3</sup> One of the primary reasons for these disparities, according to this report, is the lack of availability of broadband in rural areas.<sup>4</sup> The higher cost of broadband service also is a factor.<sup>5</sup>

The Commission has an excellent tool at its disposal to address both the availability of broadband for rural Americans and its cost – the Remote Areas Fund ("RAF"). The Commission committed to finalize the remote areas fund in 2012, with implementation in 2013, but no order implementing the RAF has yet been released. EchoStar, DISH, and Hughes have submitted a

<sup>3</sup> *Id*.

<sup>&</sup>lt;sup>1</sup> USDA, Economic Brief No. 23, "Rural Broadband at a Glance, 2013 Edition" (June 2013), available at <a href="http://www.ers.usda.gov/media/1133263/eb-23.pdf">http://www.ers.usda.gov/media/1133263/eb-23.pdf</a> ("USDA Report").

<sup>&</sup>lt;sup>2</sup> *Id*. at 1.

<sup>&</sup>lt;sup>4</sup> *Id.* at 3.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> Connect America Fund, et al., WC Docket Nos. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17675 ¶ 30 (2011) ("USF/ICC Transformation Order"), pets. for review pending sub nom. In re: FCC 11-161, No. 11-9900 (10th Cir. filed Dec. 8, 2011).

comprehensive proposal for implementation of the RAF.<sup>7</sup> There is therefore no reason to for further delay in bringing the benefits of broadband to the rural Americans that lack it today.<sup>8</sup>

DISH, EchoStar, and Hughes respectfully request that the Commission adopt an order setting the framework for the RAF and a specific timeline for implementation in the near term.

Sincerely,

By: /s/
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<sup>&</sup>lt;sup>7</sup> *See* Letter from Jeffrey H. Blum, DISH, and Dean A. Manson, EchoStar and Hughes, WC Docket No. 10-90 (filed May 6, 2013); Letter from Jeffrey H. Blum, DISH, and Dean A. Manson, EchoStar and Hughes, WC Docket No. 10-90 (filed May 7, 2013).

<sup>&</sup>lt;sup>8</sup> The Commission has not slowed its efforts to implement any other aspects of the Connect America Fund ("CAF") in response to any "questions ... about the effectiveness and desirability of [the CAF] and other broadband subsidy programs." USDA Report at 5. There is therefore no reason for such hypothetical concerns to slow implementation of the RAF.